

**Outline of Remarks to Senate Local, Urban, and State Affairs**

**Committee Regarding HB 6121**

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- Thank you for considering this bill.
- I am Jim Scales. I am an attorney in Rockford. I have over 20 years experience working for municipalities.
- I am here today on behalf of the North Kent Sewer Authority, formed under Act 233 of 1955. The NKSA is comprised of the City of Rockford and the Townships of Plainfield, Courtland, Cannon, and Alpine. The Authority is constructing a state of the art membrane bio-reactor treatment plant to serve 25,000 residential equivalent unit customers. It is to commence full operation in November of this year. I recommended we seek an amendment to Act 233 which would be of immediate benefit to the NKSA, but long term benefit to all Act 233 authorities.
- Act 233 of 1955 (MCL 124.281 et seq) is enabling legislation for sewer, water, and waste disposal authorities formed by two or more communities. Because it has desirable financing mechanisms, this is probably the most popular enabling acts for joint sewer, water, and solid waste authorities. There are about 125 Act 233 authorities, located everywhere across the State of Michigan: Wayne & Oakland County – Taquamenon area – Keweenaw – Clinton – Jackson area - Kalamazoo – Saginaw - Ottawa – Kent – Berrien.
- HB 6121 would allow a publication of a summary of “rules and regulations” adopted by the authority governing use, connection, and rates for water, sewer, stormwater, and solid waste systems operated under Act. The current law requires publication of the rules and regulations in full. Because these are usually very lengthy, the cost of publication is very expensive – it has been reported as much as \$15,000 for a full ordinance in a urbanized area. Because of this, many authorities choose a less efficient alternative to adopting regulations at the authority level simply to avoid the publication costs.
- Our particular motivation: One of the North Kent Sewer Authority’s tasks before commencing operations is to adopt regulations for the dozen or so customers who generate non-domestic waste to comply with the Federal Clean Water Act. These are usually known as the Industrial Pre-Treatment Program or IPP.

- Industrial pre-treatment standards are very lengthy and highly technical standards. For example, Courtland Township's ordinance adopted to comply with the City of Grand Rapids Pre-Treatment Program was 43 pages long and over 15,000 words. The NKSA's draft rules and regulations are 56 pages long.
- Some authorities would want to adopt comprehensive sewer ordinance – use, connection , rates, in addition to just the IPP. Or, even one regulation for a combined sewer and water system - could be 80 pages long.
- There are two ways to go about this:
  1. With concurrence of the municipalities, the Authority could adopt “rules and regulations” at the authority level.
  2. In the case of North Kent Sewer Authority, each of the 5 communities could adopt 5 nearly – identical ordinances themselves, and then delegate enforcement authority to the Sewer Authority and publish a summary of their ordinances. Five summaries are still far shorter, and much, much less expensive than one publication. (“Plan B”)
- The most efficient way to do this would be to adopt at the authority level, but here is the problem: Act 233 requires publication in full of the rules and regulations. For an IPP ordinance alone this could be 50 pages and 15,000 words; for a combined ordinance, it could be as many as 80 pages and 30,000 words.
- So, what many authorities do is have each of the members of the Authority adopt these as nearly identical ordinances, because townships, cities, villages all have express authority to publish summaries of their ordinances.
- Express statutory authority allowing publication of summaries of general and zoning ordinances adopted by cities, villages, and counties has been in existence for many years. There are about 1,242 townships, 500-550 cities and villages and 83 counties in Michigan. All of these jurisdictions have authority to publish a summary of their ordinances on adoption, including very lengthy ordinances like zoning ordinances.
- Act 233 authorities are one of the few – maybe the only - entities with rule making jurisdiction which are not allowed to publish a summary of their laws.
- So, for example, if a city had its own sewer system, it can adopt a sewer pretreatment or IPP ordinance, and publish a summary. But if an authority adopted the same set of laws as “rules and regulations” it would have to publish the whole thing!
- These rules and regulations need to be amended regularly; so authority rules and regulations would be much more efficient. For example: the South Huron

Valley Utility Authority has 8 members, which means 8 ordinances, 8 summaries, etc.. Still less expensive than one publication in full of a large ordinance.

- The legislature across the years has adopted a policy of allowing summaries. A summary is probably more informative. Would anyone actually read 50 pages of an ordinance, including 8 pages of highly technical definitions?
- It's a waste of paper and money
- Full copies of the rules and regulations can be obtained at little or no cost. Some communities provide ordinances free of charge. Some might charge perhaps \$.10 or so a page for copying. In addition, it is becoming more and more prevalent that ordinances are available online.
- This request is especially timely – the DEQ is beginning a process of reviewing and updating industrial pretreatment regulations, which will mean that most or all wastewater treatment systems operated by Act 233 authorities will need to be amended in the next 18 to 24 months, so this change would save a lot of money.
- For NKSA, we need to publish by July 1 to be ready to accept waste as early as August 15. **Very appreciative of fast consideration and immediate effect.**

In closing, Michigan's Constitution, Article 7, Sections 27 and 28 encourages local cooperation. Is this an earth shattering change? No. But this has been a source of irritation and an obstacle to efficient government for many years. Frankly, in the past I would guess almost everyone chose "Plan B" – individual adoption – instead of asking for an amendment. We would ask that the legislature bring Act 233 into line with other rule making bodies, by allowing publication of summaries of adopted rules and regulations.

Thank you.